Regulatory mechanism to fix fertilizer prices

3416. SHRI P.R. RAJAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has decided to constitute a regulatory mechanism in the fertilizer industry to fix prices;

(b) if so, the details thereof; and

(c) whether his Ministry would be taken out of the responsibility to control the fertilizer prices?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) The Group of Ministers (GoM) constituted to look into the sustainable use of fertilizer and pertinent subsidy and pricing issues has 'in-principle' approved to set up an independent Fertilizer Regulatory Authority. Since the details of the above proposal are not finalized, no definite details can be indicated at this stage.

Rise in prices of life saving drugs

†3417. SHRI JAI PARKASH AGGARWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether prices of medicines/life saving drugs continue to rise;

(b) if so, the percentage of increase in prices of each medicine;

(c) the reasons for frequent increase in prices of medicines/drugs;

(d) whether Government has set up or proposes to set up any high powered Committee for review of price control mechanism of medicines; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. Such prices are applicable to manufacturers concerned throughout the country unless otherwise exempted under the provisions of DPCO 95.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

† Original notice of the question was received in Hindi.